

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1538 – HB 2004

April 8, 2011

SUMMARY OF AMENDMENT (005826): Deletes the original bill. Authorizes the Commissioner of the Department of Commerce and Insurance (TDCI) to randomly assign approved independent review organizations to conduct external reviews of adverse determinations made pursuant to the Tennessee Health Carrier Grievance and External Review Procedure Act. Authorizes such random assignments of external review organizations if such random assignment is required per the direction of the United States Department of Health and Human Services.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions applied to amendment:

- According to TDCI, the Commissioner is currently responsible for developing and maintaining a list of approved external review organizations.
- According to TDCI, the Department will be required to receive grievances and make random review organization assignments, and to give notice of the organization assigned to both the policyholder and insurer. The Department anticipates making fewer than 100 assignments annually.
- According to TDCI, the assignments and notifications can be completed within existing resources. As a result, any increase in state expenditures is estimated to be not significant and can be accomplished without an increased appropriation or reduced reversion.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/sbh